

**LONDON LETTER.**

FINANCE. March 10th, 1906.

After all, the pay day for the "account" just concluded has passed without the "hammer" falling on the London stock Exchange. As I recorded last week the account has been a period of gloom, and the end was looked forward to with the greatest apprehension. Prices had given way all round, "bear" points filled the air, and "bull" factors were sadly wanting. It looked as though the gloom would persist for some time to come and be characterised by severe financial disaster. These forebodings have not been fulfilled. At the eleventh hour a change for the better came in a phenomenal manner. Bears were discomfited and their rushing to cover gave a decided impetus to the turn of the tide. Brokers, jobbers, and the public became suddenly gifted with a clairvoyant vision which enabled them to see in the clouded crystal the promise of a glorious future, and their buying orders showed that they were prepared to back their opinion. At the present moment we are in the middle of this activity, and hope begins to run high that something like a boom has come at last. These hopes have of course been only too frequently manifested before. The hardened observer of market phenomena distrusts this sudden simultaneous ringing of the joy bells. Arguing from past experience he has definite suspicions that something is on besides giving in marriage.

Turning to the national finance, forecasts of the Budget are being trotted out. Of course nothing much is known upon which to base any sound views. It may be taken, however, as the opinion of the best informed people here that there will be very little if any reduction in general taxation. That particularly obnoxious impost, the Income Tax, will probably remain what it is for another year at least.

In this taxation connection, it is interesting to note that the high-handed methods of the tax gathering officials of the Government last year in pressing for payment of Income Tax at an unusually early date has simply resulted in what would be the natural consequence of robbing Peter to pay Paul. The extra money which was got in by these methods before the close of March last year simply went to assist the Sinking Fund. Our national system of book-keeping rigidly forbids any carrying forward of a balance. The ultimate end of this is that the Chancellor of the Exchequer now finds himself deprived of a convenient surplus which he might have applied to the reduction of the Income Tax by 2 cents on each five dollars of taxable income.

A very good example of the way a secret can be kept sometimes by the market is given in the case of the issue of Five Million Dollars of Grand Trunk Guaranteed Stock. This issue would of course be a "bear" point. At the end of the markets last night, no news of the issue had got round by any means, although it was known by a good many people outside the market. The dealers in Trunk's did not get the information until late in the Street dealings. Earlier in the Street, dealers in Trunk's readily made prices, enabling "bulls" to close and "bears" to open on very much more favourable terms than would have been possible if the information had been bruited about earlier. It is amusing to recollect that the people in control of the Grand Trunk here have always taken special care not to let good or bad information out before the House closes. This idea—a result of an endeavour to give every one an equal chance—was at the root of the custom for holding Grand Trunk Shareholders' Meetings not earlier than four o'clock in the afternoon.

**INSURANCE.**

It will be well known to all British citizens who follow the current history of our Navy that specially extended manoeuvres are to be held this year. These will include this time, considerable interference with the merchant service, the scheme being to test the extent to which our shipping could be protected from assault in time of war. Salpers have been approached by the Government and their co-operation obtained. Underwriters at Lloyds have also been approached with regard to the special premiums they will charge to cover losses in connection with this interference with the course of maritime trade during the manoeuvres. Heavy rates are being asked. Lloyds evidently does not highly regard mercantile elusiveness.

**Canadian Pacific Railway Co.**

**Issue of New Ordinary Capital Stock.**

NOTICE is hereby given that pursuant to Resolutions passed at the Special General Meeting of Shareholders on 10th March instant, a new issue of the Ordinary Capital Stock of the Company to the amount of \$20,280,000, in 202,800 shares of \$100 each, will be offered at par to the ordinary shareholders of record at the closing of the books for the purpose, on the basis of 20 p. c., or one share in five of their then respective holdings.

The Books of the Company will be closed for this purpose in London, New York and Montreal at 3 p. m. on Friday, April 20th, and re-opened on Monday, May 7th, 1906.

The right to subscribe will expire at 3 p. m. on May 25th, 1906.

Payments will be received at the Bank of Montreal, London, New York or Montreal, as follows:—

20 p. c. or \$20 per share	July 26th, 1906
20 p. c. or \$20 per share	Sept. 26th, 1906
20 p. c. or \$20 per share	Nov. 26th, 1906
20 p. c. or \$20 per share	Jan. 25th, 1907

The new stock upon which all payments have been duly made as called for will rank for dividend for the half-year ending December 31st, 1906.

A Circular containing the terms of subscription and enclosing warrants of subscription will be mailed to the shareholders after the closing of the books as above stated.

Dated at Montreal this 20th, day of March, 1906.

BY ORDER OF THE BOARD,

**CHARLES DRINKWATER, Secretary.**

**City of Winnipeg**

**DEBENTURES**

**Sealed Tenders** addressed to "The Chairman, Finance Committee," and marked "Tender for Debentures," will be received at the office of the City Comptroller, City Hall, Winnipeg, Manitoba, up to 3.30 p.m. on **Friday, the 27th April next,**

**FOR THE PURCHASE OF**

**\$1,654,440.15**

**OF THE CITY OF WINNIPEG DEBENTURES**

Principal payable in Winnipeg in gold or its equivalent. Interest at **Four per cent.** per annum, payable half yearly at the Canadian Bank of Commerce in London, England, New York, Montreal, Toronto and Winnipeg, at the holder's option.

\$ 118,174.97	.....	RUNNING	7 YEARS
57,365.93	.....	RUNNING	10 YEARS
89,343.30	.....	RUNNING	15 YEARS
318,218.04	.....	RUNNING	20 YEARS
1,071,337.91	.....	RUNNING	30 YEARS
<b>\$1,654,440.15</b>			

\$150,000 of the 30 years will be dated 17th January, 1906; the rest will be dated 1st May, 1906. Delivery on or before 1st June. Purchaser to pay accrued interest to date of delivery. Tenders may be for the whole or part. No tender necessarily accepted. Further information desired will be furnished on application.

D. S. CURRY, City Comptroller.

WINNIPEG, 12th March, 1906.

**MONTREAL PARK & ISLAND RAILWAY COMPANY**

**LACHINE.**—From Post Office 20 min. service, 5.40 a.m. to 8.00 p.m., 30 min. service, 8.00 p.m. to midnight. From Lachine 20 min. service, 5.50 a.m. to 8.45 p.m., 30 min. service, 8.45 p.m. to 12.45 midnight. **Sault au Recollet.**—From St. Denis and Henderson Station, 30 min. service, 6 a.m. to 9 a.m.; 40 min. service, 9 a.m. to 4 p.m.; 30 min. service, 4 p.m. to 8.20 p.m.; 40 min. service, 8.20 p.m. to 12 midnight. Last car from Sault, 12 p.m.; from St. Denis, 12.20 p.m. Extra car daily from Chenneville St. to Henderson Station at 6.10 p.m. **Mountain.**—From Mt. Royal Avenue, 20 min. service, 5.40 a.m. to 11.40 p.m. From Victoria Avenue, Westmount, 20 min. service, 5.50 a.m. to 11.50 p.m.; Cartierville, 20 min. service, 5.50 a.m. to 11.50 p.m.; Cartierville, 20 min. service, 5.50 a.m. to 11.50 p.m. From Cars tierville, 40 min. service, 6.00 a.m. to 12.00 p.m. From Cars tierville, 40 min. service, 5.40 a.m. to 11.40 p.m.